

IN THE UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF WISCONSIN

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UNITED STATES OF AMERICA,

Plaintiff,

v.

DAVID HAMPTON TEDDER,

Defendant.  
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ORDER

02-CR-0103-C

A hearing was held on November 26, 2002, on defendant David Hampton Tedder's motion for reconsideration of the October 31, 2002 order directing that defendant be detained until trial. The government appeared by Daniel Graber and Timothy O'Shea. Defendant appeared in person and by Mark Eisenberg. Also present was H. Manuel Hernandez, who has withdrawn from representation of defendant but may ask in the future to be reinstated as counsel for defendant.

After hearing argument and evidence from both parties, I declined to amend the October 31 order. Nothing adduced at the November 26 hearing has changed my opinion that there are no conditions of release that will reasonably insure defendant's appearance as required and protect the safety of the community. Although defendant's crime is not one

of violence, I am aware from the prosecution of his alleged co-conspirators that there is considerable evidence against him. Defendant has held himself out as a person well-versed in the protection of assets in offshore banks; it is a reasonable inference that he could flee this country to one that does not permit extradition for financial crimes and one in which he has access to the considerable assets he has amassed over the years.

At the October hearing, defendant proposed posting several properties as security for his continued appearance. He did not disclose to the court that he was under an order issued by a New York state judge restraining him from “selling, transferring, disposing or otherwise encumbering any assets.” He claims now that he did not understand the meaning of that provision and that his lawyer told him it had no effect on any properties located outside New York state. However, the evidence has shown that defendant received notice of the order. As a lawyer himself, and particularly as one specializing in the protection of assets from creditors and tax authorities, defendant cannot credibly claim to have relied on his lawyer’s advice that the order did not have any effect on him or on his properties. Defendant has now been relieved of the restraining order. It is telling, however, that after assuring the court in October that he was not bound by the order, he brought a proceeding to be relieved of it. As I did in October, I find defendant’s lack of candor on this point particularly indicative of his willingness to withhold information and to paint any situation in the light most favorable to him, regardless of the facts. Such propensities do not suggest

that he would obey release restrictions.

Defendant has suggested posting properties that belong ostensibly to his wife and his daughter and her husband. He argues that his loyalties to his family would keep him from fleeing and thereby jeopardizing his family's well-being. Without knowing exactly what financial interest his family has in these properties (as opposed to what defendant says they have), I am not convinced that the posting of these properties as security would be as binding on defendant as he suggests.

Defendant has no family or employment ties to this community. It appears to be true that he has never failed to appear for any civil court proceeding but it is also true that his history is replete with lawsuits that have been filed against him by disgruntled investors and frustrated creditors and that he has lost his license to practice law in the only two states in which he was licensed. Despite the loss of his law license, it appears that defendant continues to hold himself out as a lawyer when it suits his purposes.

Finally, there are strong indications that defendant is continuing to operate businesses of questionable legitimacy. Given his track record and the number of investors who have lost hundreds of thousands of dollars investing in his companies, he would pose a danger to the community if he were released from custody pending trial. No conditions of which I am aware would suffice to protect potential victims of his schemes.

For these reasons, I am denying defendant David Hampton Tedder's motion for

reconsideration of the October 31, 2002 order directing that he be detained pending trial.

Entered this 27th day of November, 2002.

BY THE COURT:

BARBARA B. CRABB  
District Judge